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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/047,917	01/14/2002	Thad Kroon	IDATA.054A	2503
20995	7590	10/10/2007	EXAMINER	
KNOBBE MARTENS OLSON & BEAR LLP			POINVIL, FRANTZY	
2040 MAIN STREET				
FOURTEENTH FLOOR			ART UNIT	PAPER NUMBER
IRVINE, CA 92614			3692	
			NOTIFICATION DATE	DELIVERY MODE
			10/10/2007	ELECTRONIC

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Notice of the Office communication was sent electronically on above-indicated "Notification Date" to the following e-mail address(es):

jcartee@kmob.com  
eOAPilot@kmob.com

<b>Office Action Summary</b>	<b>Application No.</b>	<b>Applicant(s)</b>	
	10/047,917	KROON ET AL.	
	<b>Examiner</b>	<b>Art Unit</b>	
	Frantzy Poinvil	3692	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --  
**Period for Reply**

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

#### Status

- 1) Responsive to communication(s) filed on 26 July 2007.
- 2a) This action is FINAL.                    2b) This action is non-final.
- 3) Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

#### Disposition of Claims

- 4) Claim(s) 1-31 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) Claim(s) \_\_\_\_\_ is/are allowed.
- 6) Claim(s) 1-31 is/are rejected.
- 7) Claim(s) \_\_\_\_\_ is/are objected to.
- 8) Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

#### Application Papers

- 9) The specification is objected to by the Examiner.
- 10) The drawing(s) filed on \_\_\_\_\_ is/are: a) accepted or b) objected to by the Examiner.  
 Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
 Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

#### Priority under 35 U.S.C. § 119

- 12) Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) All    b) Some \* c) None of:
  1. Certified copies of the priority documents have been received.
  2. Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  3. Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

#### Attachment(s)

- |  |   |
|--|---|
| 1) <input type="checkbox"/> Notice of References Cited (PTO-892)   | 4) <input type="checkbox"/> Interview Summary (PTO-413)           |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)                       | Paper No(s)/Mail Date. _____                                      |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08)<br>Paper No(s)/Mail Date _____ | 5) <input type="checkbox"/> Notice of Informal Patent Application |
|  | 6) <input type="checkbox"/> Other: _____                          |

## DETAILED ACTION

### ***Response to Arguments***

1. Applicant's arguments filed 7/26/2007 have been fully considered but they are not persuasive..

Applicant's representative argues that Templeton et al fail to disclose a decision overturn scoring engine that reevaluates a decline, declining to accept the promissory payment, transmitting the decline to accept the promissory payment to the point of sale, performing a decision overturn evaluation and transmitting the classification of the risk associated with overturning the original decline to a customer service representative, or "an overturn scoring engine that receives data about the promissory payment and the financial transaction, wherein the overturn scoring engine evaluates a number of factors contained within the data to obtain an overturn score and wherein the overturn scoring engine classifies the overturn score into one of a plurality of classifications and generates a classification signal indicative thereof".

In response, Templeton et al meet all these limitations. Particularly, as noted in the abstract, Templeton et al state

"The terminal acquires transaction data associated with a pending check transaction. The transaction data is analyzed to determine whether the transaction can be approved by the terminal. If so, an approval code is generated and a transaction packet including the transaction data and terminal approval code are stored in the terminal until subsequent communication with the host computer. If the pending transaction is not approved by the terminal, the transaction data is transmitted to the host computer. The host computer applies a risk scoring algorithm to the

data to determine whether the transaction should be approved, declined, or whether additional information is needed. If the transaction is approved or declined, a response packet including authorization indicia is transmitted to the terminal. If additional data is needed, the host computer transmits prompts to the terminal. The terminal displays the prompts and the merchant enters the requested data into the terminal. A new transaction packet including the original transaction data and the additional requested data is transmitted to the host computer, where it is approved or declined".

Applicant is also directed to column 4, 25,to column 5, line 45 of Templeton et al.

The prior Office action is repeated below.

***Claim Rejections - 35 USC § 102***

2. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States.

Claims 1-31 are rejected under 35 U.S.C. 102(b) as being anticipated by Templeton et al (US Patent No. 5,679,940).

As per claims 1, 13-16 and 24-27, Templeton et al disclose a system and method for enabling a merchant to accept or deny a check presented by a customer for the payment of goods or services. Templeton et al disclose:

a risk scoring engine that evaluates risk in an original financial transaction

wherein a customer is attempting to pay for vendibles using a promissory payment and wherein the risk scoring engine uses a first scoring model to assess the risk of the original financial transaction and provides a signal indicating that the promissory payment by the customer in the original financial transaction be declined when the risk exceed a pre-selected threshold;

decision overturn engine that re-evaluates the decline using a second scoring model, wherein the overturn scoring engine classifies the risk of overturning the original decline and provides an overturn classification signal indicative thereof; and

a customer service module that receives the overturn classification signal from the overturn scoring engine and provides the signal to a customer service representative such that when the customer service representative receives a request to overturn the decline of promissory payment in the original transaction, the customer service representative utilizes the overturn classification signal to decide whether to overturn the original decline. Applicant is directed to column 6, lines 48-67 and column 25, lines 1-20 and column 5, lines 1-20.

As per claim 2, Templeton et al disclose a point of sale transmission device that transmits data about the original financial transaction to the risk scoring engine and wherein the point of sale transmission device receives the signal from the risk scoring engine to communicate the acceptance or decline of the original financial transaction. See column 5, lines 1-20.

As per claim 3, the promissory payment comprises a check.

As per claim 4 the system further comprises a database and wherein the decision overturn engine stores the overturn classification signals in the database for subsequent access by the customer service module. See column 6, lines 48-67 and column 12, lines 52-65.

As per claims 5-7, and 17-18, 26-27 various types of criteria are used in order to predict or result in a classification signal as whether to accept or deny the promissory payment.

As per claims 8-12, 19-23 and 28-31, Templeton et al teach determine a low risk, a medium risk and a high risk. See column 6, lines 48-67. Templeton et al teach overturning the original transaction decision on these different risks if the customer provides additional details to the customer service representative. It should be noted that Templeton et al provide these classification of risks because a customer's promissory statement is being declined. Templeton et al state that if a customer's promissory statement is declined, the final decision may be left to the merchant or a live agent. See column 5, lines 13-20. Additional information may be requested from the merchant or the merchant may overturn the decision. See column 25, lines 8-20.

**3. THIS ACTION IS MADE FINAL.** Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

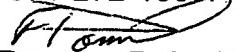
A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the mailing date of this final action.

***Conclusion***

4. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Frantzy Poinvil whose telephone number is (571) 272-6797. The examiner can normally be reached on Monday-Thursday.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Kambiz Abdi can be reached on (571) 272-6702. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.



**Frantzy Poinvil**  
**Primary Examiner**  
**Art Unit 3692**

FP  
September 20, 2007